(b) A Small Scale unit availing of exemption under Notification No. 175|86-CE dated 1.3.1986 and opting for MODVAT since beginning of the year is required to pay duty at the effective rate minus 10 per cent subject to minimum of 5 per cent. However, those units which do not opt for MODVAT since beginning can avail of exemption from full duty upto aggregate clearance value of Rs. 15 lakhs in case of one commodity and Rs. 30 lakhs in case of more than one commodities. The above concessional rate of duty applies only upto an aggregate value of first clearance of Rs. 75 lakhs in a financial year.

(c) and (d) Some complaints have been received against this company which are presently under verification|investigation. It will not be in public interest to reveal the details of the complaints.

Loans given to M/s. Encon Chemicals Ltd Faridabad

3668. SHRI DINKARRAO GOVINDRAO PATIL: Will the Minister of FINANCE be pleased to state:

(a) whethtr M|s. Encon Chemicals Limited Faridabad (with plant at Hathin) was given a loan of Rs. 44 lakhs from Indian Bank, Faridabad and Rs. 27 lakhs from IDBI to be started as a SSI unit with a Chemical Engineer as one of its Technical Director in 1986;

(b) if so, what is the name and address and technical qualification of the Technical Director;

(c) whether as per rules regarding extending of loans by a Bank, the Technicals Director cannot be removed till the loan is repaid and an agreement has to be entered into between the Bank and the party seeking loan;

(d) whether any agreement was entered into by the Indian Bank and M|s. Encon Chemicals Limited through its Technical Director; if not, what were the reasons therefor;

(e) whether the Technical Director is still on the Board; if not, what are the reasons therefor; and

(f) whether Government have received any complaints in this regard if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (f) In terms of the statutes governing the public sector banks and in accordance with the practices and usages customary among the bankers, the information relating to an individual constituent cannot be divulged.

However, there are no instructions of Reserve Bank of India for entering into an agreement with the party seeking loans that the Technical Director of the company will not be removed till the bank's loan is repaid.

Utilisation of Jute Modernisation Fund

3669. SHRI KRISHNA KUMAR BIRLA: Will the Minister of TEXTILES be pleased to state:

(a) whether a Jute Modernisation Fund was created for overall jute development from research to market promotion and product diversification; and

(b) if so, what are the details reggarding the utilisation trend of the Fund?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b) Jute Modernisation Fund of Rs. 150 crores has been set up for the purpose of modernising jute industry as also with a view to helping the programme of product diversification by the jute mills. The scheme has been designed to help viable jute mills as well as those which are potentially viable. As on date out of 26 applications received by the Financial Institutions six cases have been sanctioned involving an outlay of Rs. 23.56 crores. The remaining cases are in different stages of processing.